



# The Kurds in Post-Saddam Iraq

**Kenneth Katzman**

Specialist in Middle Eastern Affairs

October 1, 2010

Congressional Research Service

7-5700

[www.crs.gov](http://www.crs.gov)

RS22079

**CRS Report for Congress**

*Prepared for Members and Committees of Congress*

<b>Report Documentation Page</b>			Form Approved OMB No. 0704-0188	
<p>Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>				
1. REPORT DATE <b>01 OCT 2010</b>	2. REPORT TYPE	3. DATES COVERED <b>00-00-2010 to 00-00-2010</b>		
4. TITLE AND SUBTITLE <b>The Kurds in Post-Saddam Iraq</b>		5a. CONTRACT NUMBER		
		5b. GRANT NUMBER		
		5c. PROGRAM ELEMENT NUMBER		
6. AUTHOR(S)		5d. PROJECT NUMBER		
		5e. TASK NUMBER		
		5f. WORK UNIT NUMBER		
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>Congressional Research Service,The Library of Congress,101 Independence Avenue SE,Washington,DC,20540-7500</b>		8. PERFORMING ORGANIZATION REPORT NUMBER		
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)		10. SPONSOR/MONITOR'S ACRONYM(S)		
		11. SPONSOR/MONITOR'S REPORT NUMBER(S)		
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>				
13. SUPPLEMENTARY NOTES				
14. ABSTRACT				
15. SUBJECT TERMS				
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>15</b>
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>	19a. NAME OF RESPONSIBLE PERSON	

## Summary

The Kurdish-inhabited region of northern Iraq has been relatively peaceful and prosperous since the fall of Saddam Hussein. However, the Iraqi Kurds' political autonomy, and territorial and economic demands, have caused friction with Prime Minister Nuri al-Maliki and other Arab leaders of Iraq, and with Christian and other minorities in the north. As the United States transitions to a support role in Iraq, these tensions are assessed by U.S. commanders as having the potential to erode the security gains that have taken place in Iraq since 2007. Some U.S. officials want to establish clear policies and provisions to contain these frictions in advance of the expected completion of the U.S. military departure from Iraq at the end of 2011. Turkey and Iran were skeptical about Kurdish autonomy in Iraq but have reconciled themselves to this reality and have emerged as major investors in the Kurdish region of Iraq.

The major territorial, financial, and political issues between the Kurds and the central government do not appear close to resolution. Tensions increased after Kurdish representation in two key mixed provinces was reduced by the January 31, 2009, provincial elections. The disputes nearly erupted into all-out violence between Kurdish militias and central government forces in mid-2009, and the Kurds continue not to recognize the authority of the Sunni Arab governor of Nineveh Province in Kurdish-inhabited areas of the province. The low-level clashes in 2009 caused the U.S. military to propose new U.S. deployments designed to build confidence between Kurdish and government forces; joint U.S.-Iraqi-Kurdish militia patrols began in January 2010. The Kurds also perceive that their role as "kingmakers" in Iraq's central government - their ability to throw their parliamentary votes toward one side or another – was reduced by the March 7, 2010 elections which saw the seats held by the major Kurdish factions lowered from previous levels.

The Kurds' political clout in Baghdad is further reduced by the political ferment in the Kurdish region itself. The Kurdish region voted for president and for members of the Kurdistan National Assembly on July 25, 2009. The results, in which an opposition list won almost 25% of the vote, have threatened the previously iron grip on the politics and economy of the region exercised by the two main factions—the Kurdistan Democratic Party and the Patriotic Union of Kurdistan. The two main factions competed as a joint list in the March 7, 2010, national elections for the next full-term government. However, the Kurdish opposition competed separately and won several seats on its own—parliamentary votes which the opposition might not necessarily place at the disposal of the mainstream Kurdish leaders for the purpose of bargaining with Iraq's Arabs. For more on Iraq, see CRS Report RL31339, *Iraq: Post-Saddam Governance and Security*, by Kenneth Katzman.

## Contents

Pre-War Background.....	1
Post-Saddam Period/The Kurdistan Regional Government (KRG).....	2
2009 KRG Elections .....	4
Major Issues Between Baghdad and the Kurds .....	5
Participation in National Politics and Government.....	5
Political Orientation of the Kurds .....	6
Kurdish Strength in Baghdad Reduced by March 7, 2010 Elections .....	6
The Independence Question .....	7
Kirkuk, Disputed Territories, and Minorities in the North .....	7
Eruption of Territorial Tensions .....	9
Position of Other Northern Minorities .....	9
Control Over Oil Resources/Oil Laws .....	10
KRG Revenue Distribution/Corruption Issues .....	11
PKK and Other Kurdish Militant Safehaven .....	11

## Figures

Figure 1. Kurdish-Inhabited Areas.....	12
----------------------------------------	----

## Contacts

Author Contact Information .....	12
----------------------------------	----

## Pre-War Background

The Kurds, a mountain-dwelling Indo-European people, comprise the fourth-largest ethnic group in the Middle East, but they have never obtained statehood. The World War I peace settlement and subsequent Treaty of Sevres (1920) raised hopes of Kurdish independence, but under a subsequent treaty (Treaty of Lausanne, 1923) they were given minority status in their respective countries—Turkey, Iran, Iraq, and Syria—with smaller enclaves elsewhere in the region. Kurds region-wide number between 20 and 25 million, with an estimated 4 to 4.5 million in Iraq, roughly 15% to 20% of the Iraqi population. Most are Sunni Muslims, and their language is akin to Persian; Kurds celebrate the Persian new year (Nowruz) each March 21. Even before the fall of Saddam Hussein, Kurds have had more national rights in Iraq than in any other host country; prior Iraqi governments have allowed Kurdish language use in elementary education (1931), recognized a Kurdish nationality (1958), and implemented limited Kurdish autonomy (1974, with Iraq under Baath Party rule).

For the three decades that preceded the U.S.-led expulsion of Iraqi forces from Kuwait in 1991, an intermittent insurgency by Iraqi Kurdish militia (“*peshmerga*”) faced increasing suppression, particularly by Saddam Hussein’s regime. Kurdish dissidence in Iraq was initially led by the Barzani clan, headed by the late storied chieftain Mulla Mustafa Barzani, who founded the Kurdish Democratic Party (KDP) after World War II. He rejected Baghdad’s Kurdish autonomy plan in 1974,<sup>1</sup> but his renewed revolt collapsed in 1975 when Iran, then led by the Shah, stopped supporting it under a U.S.-supported “Algiers Accord” with Iraq. Barzani, granted asylum in the United States, died in 1979, and KDP leadership passed to his son, Masoud.

Years earlier, a younger, more urban and left-leaning group under Jalal Talabani emerged; it broke with Barzani in 1964 and, in 1975, became the rival Patriotic Union of Kurdistan (PUK). The KDP and the PUK remain dominant among Iraqi Kurds; their differences have centered on leadership, control over revenue, and the degree to which to accommodate Baghdad. The KDP, generally traditional, is strong in the tribal, mountainous northern Kurdish areas, bordering Turkey, whereas the PUK is strong in southern Kurdish areas, bordering Iran.

During the first few years of the 1980-1988 Iraq-Iran war, the Iraqi government tried to accommodate the Kurds in order to persuade them not to assist Tehran. In 1984, the PUK agreed to cease fighting Baghdad, but the KDP remained in rebellion. Iraqi forces launched at least two lethal gas attacks against Kurdish targets in 1988, including at the town of Halabja (March 16, 1988, about 5,000 killed). Iraq claimed the chemical attacks were responses to Iranian incursions. During 1987-1989, the height of the Iran-Iraq war and its immediate aftermath, Iraq tried to set up a “cordon sanitaire” along the border with Iran, and it reportedly forced Kurds in many border villages to leave their homes in a so-called “Anfal (Spoils) campaign.” Some organizations, including Human Rights Watch, say the campaign killed as many as 100,000 Kurds.

During the 1990s, U.S.-led containment of Iraq following the invasion of Kuwait paved the way for substantial Kurdish autonomy. After Iraqi forces suppressed an initial post-war Kurdish uprising, U.S. and allied forces in mid-1991 instituted a “no-fly zone” over the Kurdish areas, protecting the Kurds from Iraqi forces. Later in 1991, Kurdish leaders joined the Iraqi National

---

<sup>1</sup> The government’s so-called Law of Self-Rule (No. 33 of 1974) provided for limited governing institutions in some Kurdish regions but failed to garner widespread Kurdish support.

Congress (INC), a U.S.-backed opposition group, and allowed it to operate from Iraqi Kurdish territory. The Iraqi Kurds set up an administration in their enclave and held elections for a 105-member provisional parliament in 1992. The KDP and the PUK each gained 50 seats; another five went to Christian groups (most of Iraq's 900,000 person Christian community resides in northern Iraq or in Baghdad). Without a clear winner in the concurrent presidential election, the two main factions agreed to joint rule. In October 1992, the Kurdish parliament called for "the creation of a Federated State of Kurdistan in the liberated part of the country" but added that the Kurds remained committed to Iraq's territorial integrity. This caveat did not allay fears among Iraq's Arab leaders that the Kurds would drive for full independence; a concern shared by neighboring states with large Kurdish populations (Turkey, Iran, and Syria).

In early 1994, the uneasy KDP-PUK power-sharing collapsed into armed clashes over territorial control and joint revenues. The nadir in PUK-KDP relations occurred in mid-1996, when the KDP enlisted Saddam's regime to help it seize Irbil, the seat of the regional Kurdish government, which the PUK had captured in 1994. The Kurdish regional authority effectively split into KDP and PUK entities. However, the United States spearheaded negotiations that culminated in a September 1998 "Washington Declaration" between the two parties. It was endorsed when the Kurdish parliament reconvened on October 5, 2002, by which time the Kurds and other oppositionists were preparing for a likely U.S. war to overthrow Saddam Hussein. In February 2003, opposition groups met in Kurdish-controlled territory to prepare for post-Saddam Iraq, but these groups were disappointed by a U.S. decision to set up a post-Saddam occupation authority rather than immediately turn over governance to Iraqis. Some Bush Administration officials have attributed the post-Saddam insurgency and instability to this decision.

## **Post-Saddam Period/The Kurdistan Regional Government (KRG)**

Both before and since the 2003 ousting of Saddam Hussein's regime, the Kurds have been the most pro-U.S. group in Iraq. The Kurds welcomed the U.S. invasion of Iraq and have cooperated with U.S. political and military officials in Iraq since. In return for what they assert has been their consistent pro-U.S. orientation, the Kurds have sought U.S. support for their positions in their various disputes with the other groups in Iraq, and have sought to ensure that the planned December 2011 end to U.S. military involvement does not cause the United States to abandon Iraq, and the Kurds. A wide variety of U.S.-Kurdish issues, including the U.S. drawdown, were discussed when Kurdistan Regional Government (KRG) President Masoud Barzani visited Washington, DC, in late January 2010, and U.S. officials in Iraq meet him regularly. U.S. positions and activities relating to the Kurds are discussed throughout this paper.

Although the Kurds welcomed the U.S. decision to overthrow Saddam Hussein militarily, there was virtually no combat in northern Iraq during Operation Iraqi Freedom (OIF), the U.S.-led war that began on March 19, 2003, and toppled Saddam Hussein's regime by April 9, 2003. Turkey did not agree to host U.S. invasion forces prior to the start of the war, and U.S. forces moved up from Kuwait through southern Iraq, and not down from the north. (Turkey reportedly has offered to allow some U.S. troops to depart Iraq through the north, as part of the U.S. drawdown that is to be completed by December 31, 2011.)

The Kurds entered post-Saddam national politics on an equal footing with Iraq's Arabs for the first time ever by participating in a U.S.-led occupation administration (Coalition Provisional

Authority, CPA). Holding seats on a 25-person advisory “Iraq Governing Council (IGC),” appointed in July 2003, were Barzani, Talabani, and three independent Kurds. In the transition government that assumed sovereignty on June 28, 2004, a top Barzani aide, Hoshyar Zebari, became Foreign Minister (over the objection of many Arab Iraqi figures).

This government operated under a March 8, 2004 “Transitional Administrative Law” (TAL)—a provisional constitution that laid out a political transition process and preserved the Kurds’ autonomous “Kurdistan Regional Government” (KRG) and its power to alter the application of some national laws. Another TAL provision allowed the Kurds to continue to field their militia, the *peshmerga* (“those who face death”), now numbering 75,000-100,000.

The TAL did not give the Kurds control of Kirkuk (Tamim province),<sup>2</sup> instead setting up a process to allow Kurds expelled from Kirkuk by Saddam to reclaim their homes. Despite opposition from Iraq’s Arab leaders, the Kurds succeeded in inserting a provision into the TAL that allowed any three provinces to vote down, by a two-thirds majority, a permanent constitution. The Kurds constitute a majority in Dohuk, Irbil, and Sulaymaniyah provinces, assuring them of veto power.

The Kurds supported the constitution in the October 15, 2005, referendum because it appeared to meet their most significant demands. The constitution<sup>3</sup> not only retained substantial Kurdish autonomy but also included the Kurds’ insistence on “federalism”—de-facto or formal creation of “regions,” each with its own regional government. The constitution recognizes the three Kurdish provinces of Dohuk, Irbil, and Sulaymaniyah as a legal “region” (Article 113)—the Kurdistan Regional Government (KRG)—with the power to amend the application of national laws not specifically under national government purview; to maintain internal security forces; and to establish embassies abroad (Article 117). Arabic and Kurdish are official languages (Article 4). In September 2007, the Senate endorsed the federalism concept for Iraq in an amendment to the FY2008 defense authorization bill (P.L. 110-181).

The Kurdish region fully participated in the Iraqi elections of January 30, 2005—which included provincial council elections nationwide and elections for the Kurdistan National Assembly (KNA), as well as national elections for an interim government. After the 2005 KNA elections, on June 12, 2005, the Kurdistan National Assembly (KNA, the separate parliament of the Kurdistan Regional Government) selected Masoud Barzani “President of Kurdistan.” This reflected Barzani’s strategy of shoring up his regional base in the north rather than focusing on the central government. Elections for a four-year government were held on December 15, 2005.

During 2005-2009, the “prime minister” of the KRG was Barzani’s 50-year-old nephew, Nechirvan (son of the Kurdish guerrilla commander Idris, who was killed in battle against Iraqi forces in 1987). Nechirvan was slated to be replaced in early 2008 by a PUK official (Kosrat Rasoul), but the parties agreed to extend Nechirvan’s term, in part because of Rasoul’s health and in part because of turmoil within the PUK on a consensus candidate to replace Nechirvan. As noted below, following the KNA elections of July 25, 2009, Nechirvan was replaced by PUK senior figure Barham Salih.

---

<sup>2</sup> The text of the TAL can be obtained from the CPA website: <http://cpa-iraq.org/government/TAL.html>.

<sup>3</sup> The text of the constitution is at <http://www.washingtonpost.com/wp-dyn/content/article/2005/10/12/AR2005101201450.html>.

The *peshmerga* primarily remain in Kurdish areas to protect Kurdish inhabitants there, but some have joined the Iraqi Security Forces (ISF) and have served mostly in Arab northern cities such as Mosul and Tal Affar but also in Sunni areas, in the Baghdad “troop surge,” and in the March 2008 crackdown on Shiite militias in Basra. On May 30, 2007, formal security control over the three KRG provinces was handed from the U.S.-led coalition in Iraq to mostly Kurdish ISF units.

## 2009 KRG Elections

On July 25, 2009, the KRG held its second elections for a KNA, and there were direct elections for a KRG President. Running against five relatively poorly known challengers, Masoud Barzani was handily reelected KRG President with about 70% of the vote.

The KNA elections, in which voters chose members of the 111-seat KNA, shaped up to be the most competitive in the Iraqi Kurdish region. The KNA elections treated the Kurdistan region as one voting district in a closed-list system (voters vote for lists, not individuals). Twenty-four total lists registered, of which one was the joint KDP and PUK “Kurdistani” list that has long dominated the region’s politics and economy. However, the joint list faced stiff competition from an opposition “Change List” (Gorran), headed by Nechirvan Mustafa, a former PUK leader who quit the party in 2006 because of alleged PUK corruption. Gorran, said to be populated by younger, well-educated urban Kurds, ran on a platform opposed to corruption and the dominance of the two main Kurdish parties, as well as on reducing confrontation with the central government. Prior to the election, the Kurdistani list proposed Barham Salih, who was deputy Prime Minister in the Iraqi central government, as Prime Minister of the KRG, should that list finish first.

In the election, the Kurdistani list did finish first, winning 59 seats out of the 111 and thereby retaining its majority control of the KNA. This is a sharp drop from the 82 seats the bloc held in the previous KNA. However, Gorran did unexpectedly well, winning about 25% of the total vote and, under the election rules, winning 25 of the 111 seats. A joint Islamist and Socialist list (Reform and Service List) won 13 seats, and various parties won the remainder of the seats up for election. Under a quota system implemented by the KRG, out of the 111 seats, there are five reserved seats for Assyrian Christians, five for ethnic Turkmen, and one reserved seat for the Armenian community. There are no reserved seats for the minority Yazidi or Shabak communities, but there is one Yazidi who won election as part of the Kurdistani bloc.

Because there has not been an agreement between the Kurds and the central government on the Kirkuk issue, the July 25 vote did not include provincial elections in Kirkuk or the three KRG provinces. The Kurds had also considered including in the vote a referendum on a KRG regional constitution. A draft was adopted by the KNA on June 25, 2009. However, the Iraqi central government opposed it as an infringement on the nationally adopted constitution and as a Kurdish effort to assert rights to oil resources in the Kurdish region and to disputed territories (see below). In the face of that opposition, the KRG dropped the constitutional referendum, and it was not part of the July 25 elections.

Politically, the strong showing of Gorran weakened the PUK, because Gorran is a breakaway faction of that party. Gorran apparently won about half of the votes in Sulaymaniyah Province, which is the PUK’s main stronghold. Although the PUK was weakened, the KDP still proceeded with the agreement to name Barham Salih as KRG Prime Minister. He and Masoud Barzani were sworn into their KRG offices on August 20, 2009. In January 2010, Dr. Rowsch Shaways, a KDP

member, who had served as deputy Prime Minister in the 2004-2005 interim government, was named deputy Prime Minister to fill Salih's vacant central government slot.

## Major Issues Between Baghdad and the Kurds

The 2005 constitution and post-Saddam politics—coupled with the Kurdish leaders' close relations with the United States—gave the Kurds substantial political strength. However, that strength caused Iraqi minorities in the north, Iraq's neighbors, and Iraq's Arab leaders to perceive the Kurds as asserting excessive demands and threatening Iraq's integrity. For their part, the Kurds believe that the strengthening central government is not living up to the promise of the post-Saddam era to build a diverse, multi-ethnic democracy that allows the Kurds full rights and redresses the perceived abuses of the Saddam era. The Bush Administration and the Obama Administration have sought to support and acknowledge the Kurds' cooperation with U.S. policy while curbing the Kurds' demands enough to mollify the Kurds' opponents and prevent any explosion of violence in the north. As a sign of appreciation for the Kurds' support and of a U.S. commitment to ensure that the Kurd-Arab rift does not widen, the Obama Administration has decided to establish a U.S. consulate in Irbil. In addition, there are to be two embassy branch offices in northern Iraq: one in Kirkuk (see below), and another in Mosul, where the Kurds and central government are at odds. Another U.S. consulate is to be established in Basra, but branch offices in Anbar and in Najaf are not being set up immediately (in part due to Congressional decisions to delay funding their establishment in a FY2010 supplemental appropriation, P.L. 111-212). The Senate report on the supplemental legislation said that the Committee on Appropriations supported the placement of these facilities along "Arab-Kurdish fault lines," and the Administration appears to be following that recommendation.

## Participation in National Politics and Government

As noted previously, the Kurds generally, but the PUK more so, have viewed participation in post-Saddam politics in Baghdad as enhancing Kurdish interests. The KDP and PUK allied in the two national elections in 2005. In the January 30, 2005, elections, their Alliance won about 26% of the vote, earning 75 National Assembly seats out of 275. Partly on that strength, Talabani became President of Iraq. Because of a boycott of those elections by most Sunni Arabs, the Kurds also won control of the provincial council of Nineveh Province, which is mostly Arab inhabited, and had a strong presence on the council of the mostly Arab province of Diyala as well.

The Kurdistan Alliance showing in the December 2005 elections for a full-term government was not as strong (53 seats), largely because Sunni Arabs participated in the elections. In the four-year government selected in April–May 2006, Talabani remained President; Zebari stayed Foreign Minister, and a top Talabani aide, Barham Salih ("Prime Minister" of the Kurdish region before Saddam's ouster) became one of two deputy prime ministers, as noted above.

Budgetary issues have been somewhat contentious recently. In the 2008 Iraqi budget deliberations (adopted February 13, 2008), Iraq's Arab leaders tried but did not succeed in efforts to cut the revenue share for the Kurds from 17% of total government revenue to 13%. The Kurds agreed to abide by a revenue share determined by a census that was to be held but has been repeatedly postponed. There was no similar move to cut the Kurds' share in deliberations over the 2009 budget, which was adopted in March 2009. The Kurds continue to want the *peshmerga*'s salaries to be paid out of national revenues. However, a census is set to get under way in October 2010,

which could result in a reduction of the Kurds' revenue share if the census determines that the Kurds's share of the population is less than has been assumed to date (based on other measures, such as ration card lists).

It is not clear whether or not the Iraqi constitution permits the KRG to buy weapons from foreign or other sources, for the *peshmerga*. However, the central government expressed "no objection" to a reported KRG purchase of guns and ammunition from Bulgaria in November 2008. The weapons were flown into KRG-controlled territory by C-130.<sup>4</sup>

## **Political Orientation of the Kurds**

During 2003-2008, the Kurdish parties were aligned politically with the mainstream Shiite Islamist parties, including the Da'wa Party of Prime Minister Nuri al-Maliki and that of the Islamic Supreme Council of Iraq (ISCI), led by Abd al-Aziz al-Hakim (who died on August 26, 2009, and has been replaced by his son, Ammar al-Hakim). The support of the Kurds helped Maliki survive several political challenges in 2006 and 2007 not only from Sunni Arab factions but also from within his own Shiite community, particularly that posed by radical young cleric Moqtada al Sadr. The Kurds supported Maliki's decision to confront Sadr's militia in Basra in March 2008, which the Kurds said demonstrated Maliki's increasing even-handedness.

By the end of 2008, the Kurds had begun to break with Maliki because of his failure to accede to their core demands, particularly northern Iraq territorial issues. The rift had become so pronounced that KRG President Barzani appeared on a local television program in November 2008 accusing Maliki of trying to monopolize power. Maliki responded on November 20, 2008, by saying the Kurds were pursuing "unconstitutional" policies, such as deploying *peshmerga* outside the KRG region and opening representative offices in foreign countries. Press reports in late 2008 said the Kurds explored discussions with other factions to possibly call for a vote of no-confidence against Maliki.<sup>5</sup> Relations worsened following political developments in disputed Nineveh Province, as discussed below, and Masoud Barzani and Prime Minister Maliki did not meet for more than one year, until Maliki flew to the KRG region on August 2, 2009.

## **Kurdish Strength in Baghdad Reduced by March 7, 2010 Elections**

The next phase of KRG-government relations is being shaped by the outcome of the March 7, 2010, parliamentary elections. As in the past, the two main Kurdish parties ran on a joint list. However, Gorran, the Kurdish opposition group, ran on a separate slate, as is another Kurdish faction called the Kurdistan Islamic Union.

As a result of the elections, many observers assess that the main Kurdish factions are no longer "kingmakers" in central government politics. The number of seats held by the two main factions was reduced from 53 in the 2006-2010 Assembly to 43 seats in the current Assembly. Other Kurdish factions, including Gorran and the Kurdistan Islamic Union, hold 14 seats (up from 5 "other" Kurdish seats in the previous Assembly). Even though Gorran is a Kurdish faction, it does not necessarily back all the positions of the two main factions in political deliberations with Iraq's

---

<sup>4</sup> Londono, Ernesto. "Kurds in N. Iraq Receive Arms From Bulgaria." *Washington Post*, November 23, 2008.

<sup>5</sup> Arraf, Jane. "The Iraqi Premier Is Increasingly At Risk As Cracks in His Shiite-Kurdish Coalition Grow in the Waning Days of the Bush Administration, His Other Main Ally." *Christian Science Monitor*, December 11, 2008.

Arabs. As a result, the two main Kurdish parties have not taken clear or definitive positions on the composition of the next full term government, even though nearly seven months have elapsed since the election and no executive branch has been chosen. The deadlock appears to emanate from disagreements among Iraq's Arabs over whether Maliki should be selected for another term as Prime Minister. The Kurds are said to favor an alternate Shiite figure, Adel Abdul Mahdi, a known moderate, as Prime Minister, but Abdul Mahdi has not amassed enough support to displace Maliki. (For more information on efforts to form the next executive, see CRS Report RS21968, *Iraq: Politics, Elections, and Benchmarks*, by Kenneth Katzman). Because Maliki's slate has 89 seats in the Assembly, a Sunni-backed slate of former Prime Minister Iyad al-Allawi (who believes he deserves the chance to form the next government) has 91, and a rival Shiite slate of ISCI/Sadr/other Shiites have 70 seats, the main Kurdish bloc's 43 seats are not sufficient to swing the debate either way. The Kurds are said to find Allawi acceptable, if he were to prevail in this debate, although the Kurds are said to consider some of his parliamentary allies from the northern governorates (Hadba'a Gathering) as unacceptably hardline Sunni nationalists.

## **The Independence Question**

The question of outright Kurdish independence is not an active source of friction between the Iraqi Kurds and the central government at this time, but it remains a concern of Iraq's neighbors that have Kurdish minorities. The top Kurdish leaders—possibly at odds with mainstream Kurdish opinion—have said that they would not push for outright independence. This is perhaps because doing so is likely to be vehemently opposed—possibly to the point of armed conflict—by Turkey, Iran, Syria, and Arab Iraq. However, there is concern among these outside parties that younger Kurds who will eventually lead the KRG might ultimately seek independence.

## **Kirkuk, Disputed Territories, and Minorities in the North**

The Iraqi Kurds' vocal and consistent insistence that Kirkuk/Tamim and some cities in Diyala and Nineveh provinces be integrated into the KRG is a primary source of tension with the Maliki government and with minorities in the north, particularly the Christians, Turkomens, and Yazidis. The Kirkuk issue is considered “existential” not only by the Kurds, but by Turkey, which fears that KRG integration of Kirkuk would propel a Kurdish drive for independence. Kirkuk sits on 10% of Iraq's overall oil reserves of about 112 billion barrels. Turkey also sees itself as protector of the Turkoman minority in Kirkuk and environs.

At Kurdish insistence, the Iraqi constitution reaffirmed the process of resettling Kurds displaced from Kirkuk and stipulated the holding of a referendum (by December 31, 2007—“Article 140 process”), to determine whether its citizens want to formally join the KRG region. In 2008, the Kurds grudgingly accepted Bush Administration urgings to accede to a delay of the referendum in favor of a temporary compromise under which the U.N. Assistance Mission-Iraq (UNAMI) is analyzing, reporting on, and making recommendations on Kirkuk and on whether to integrate some Kurdish-inhabited cities in Diyala and Nineveh provinces into the KRG. The U.S. strategy has been to convince the Kurds that this gradual process might eventually gain the Kurds control of Kirkuk, and that belief, in and of itself, is perceived as ensuring that the tensions over the issue do not erupt into major violence. The major cities in Diyala and Ninveveh that UNAMI has been studying include Khanaqin, Sinjar, Makhmour, Akre, Hamdaniya, Tal Afar, Tilkaif, Mandali, and Shekhan. A June 2008 UNAMI report leaned toward the Kurds on some of these territories, but with keeping other territories, such as Hamdaniya and Mandali, as part of central government-controlled Iraq.

Anticipating such a referendum, the Kurds—reportedly used their intelligence service the *Asayesh*—reportedly have been trying to strengthen their position in Kirkuk by pressuring the city’s Arabs, both Sunni and Shiite, and Turkomans to leave. Under that Article, the referendum is also contingent on the completion of a census, which is to get under way in late October 2010. However, it is not clear that the census will trigger the Kirkuk referendum once the census is completed; the constitutional deadline of December 31, 2007 has expired. Still, in an apparent nod toward the Kurds, the Obama Administration released a statement on December 7, 2009 that, among other points, “reaffirms [U.S.] respect for the Iraqi constitution, including Article 140, which addresses the dispute over Kirkuk and other internal borders.”<sup>6</sup>

Even though the referendum has not been held, UNAMI has been assessing possible methods to resolve the issue of the disputed territories. UNAMI circulated this report on April 22, 2009, recommending a form of joint Baghdad-KRG administration of Kirkuk. The major parties to the dispute say they will use the UNAMI report as a basis for negotiations, but it does not appear that the proposal has brought the disputed territories issue significantly closer to resolution. (The separate COR report was not issued on March 31, 2009, and the release date is not known.)

Without resolution of this key issue, differences between the Kurds and the central government have only widened. Because Sunni Arabs fully participated in the January 31, 2009, provincial elections, the Kurdish influence in the two provinces of Nineveh and Diyala—the location of several disputed territories—was sharply reduced. In Nineveh province, the Kurds have lost control of the 37-seat provincial council and provincial administration to a Sunni Arab slate called Al Hadba'a, which campaigned on a platform of reducing Kurdish influence in the province and refusing to compromise on disputed territories located in Nineveh. Al Hadba'a won 19 out of the 37 seats of the provincial council, and one of its members, Atheel al-Nujaifi, is now governor of the province. Since the accession of Nujaifi, several clashes have nearly erupted as *peshmerga* have physically prevented Nujaifi and other provincial officials from entering Kurdish-inhabited parts of Nineveh province. The Kurds refuse to recognize Nujaifi's authority in Kurdish-inhabited areas of the province.

In Diyala Province, which is also mixed, the Kurdistan Alliance fared better than it did in Nineveh. It came in third, but with only six seats out of the 29 on the provincial council there. The mainstream Sunni Arab bloc called the Accord Front (“Tawafuq”), took the first position with nine seats. The Accord Front is now running that province in alliance with the Kurds and the mainstream Shiite party Islamic Supreme Council of Iraq (ISCI). The Kurds' subordinate position in the Diyala provincial administration weakens their ability to assert political control over Kurdish-inhabited towns in the province, such as Khanaqin.

The tensions over Kirkuk contributed to delays in several election laws needed to hold elections, including the January 31, 2009, provincial elections, and the law needed for the March 7, 2010, election. In both cases, Kurdish leaders directly held up the needed laws as part of the broader dispute with the Iraqi Arabs and the central government over Kirkuk and other issues. President Talabani vetoed a July 22, 2008, COR-passed election law (needed for the provincial elections), on the grounds that it provided for, as an interim arrangement pending Kirkuk provincial elections, an equal division of power in the Kirkuk provincial administration and council (among Kurds, Arabs, and Turkomans). A compromise was later found and the elections were held. In the

---

<sup>6</sup> The White House, Office of the Press Secretary. “Statement by the Press Secretary on the Passage of Iraq’s Revised Election Law.” December 7, 2009.

long debate over the election law needed for the upcoming national elections, Kurdish leaders threatened to boycott the elections unless the law was drafted in a way to accommodate Kurdish views on the voter eligibility pool. In the latter case, the Kurds did obtain some major concessions, for example by agreeing to use the 2009 version of a food rationing list, not a 2005 version, to determine voter eligibility. The 2009 version presumably contains more eligible Kurds, because Kurds have moved back to northern Iraq as time has elapsed since the fall of Saddam Hussein. With this compromise, the election law was passed November 8, 2009, and the elections were held on March 7, 2010.

## Eruption of Territorial Tensions

Despite the Kurd-Arab tensions in the north, clashes between the *peshmerga* and the Iraqi Security Forces (ISF) were defused with the help of the U.S. military and U.S. diplomats in Baghdad. However, the then overall commander of U.S. forces in Iraq, Gen. Raymond Odierno, became sufficiently concerned about the tensions that in August 2009, he unveiled a plan to build confidence between the security forces of the two sides. Under the plan, additional U.S. military personnel deployed to the north to partner with *peshmerga* and ISF units in patrols that built confidence between the Kurdish and central government forces. Under the plan, 15 joint checkpoints were set up along the Kurd-Arab frontier, primarily in Nineveh and Diyala provinces. Agreement was reached for the three sides to share intelligence, to coordinate command and control. Another part of the plan is that the *peshmerga* who join the patrols are given training by the United States at a military base in Kirkuk.<sup>7</sup>

However, some raise questions as to what would replace this effort as U.S. troops in Iraq were reduced to 50,000 by August 31, 2010, and then reduce further in the run-up to the December 31, 2011, final U.S. withdrawal date. In concert with the end of Operation Iraqi Freedom and the start of the supporting role of Operation New Dawn on September 1, 2010, U.S. troops already have left four of the fifteen checkpoints. The remainder are to be vacated by U.S. forces by December 2011, unless the U.S.-Iraq Security Agreement is renegotiated to permit a number of U.S. troops to continue this mission beyond December 2011. Gen. Odierno publicly floated the idea of a U.N. force to take over the neutral partner role from the United States, although that suggestion has not appeared to resonate widely.

## Position of Other Northern Minorities

At the same time, Iraqi minorities in northern Iraq are increasingly fearful of their status as tensions increase between Baghdad and the Kurds. These minorities, as well as Arabs in the north, fear that the Kurds are trying to push them out of the area in order to monopolize power in the north and gain control of the disputed territories. A provision was stripped out of the July 2008 provincial elections law that would have allotted 13 reserved provincial council seats (spanning six provinces, including Baghdad)—out of 440 seats to be voted on nationwide—for Christians, Yazidis, Sabeans, and the Shabek minority.

Subsequent to the passage of that election law, Christians in Mosul protested the law and began to be subjected to assassinations and other attacks by unknown sources, possibly Al Qaeda in Iraq.

---

<sup>7</sup> Arraf, Jane. "Iraq Border Concerns Spur Effort to Integrate Kurdish and Iraqi Army Forces." *Christian Science Monitor*, August 23, 2010.

About 1,000 Christian families that reportedly fled the province in October 2008 apparently have returned—although they remain fearful and wary. Some minorities are upset that the election law adopted in November 2009 for the March 7, 2010, election only allots seven total reserved seats for minority candidates. Some Christians are calling for the formation of a “Nineveh Plains Protection Force,” although many Iraqis appear to oppose that idea as forming another potential militia force that might clash with other armed forces.

## **Control Over Oil Resources/Oil Laws**

Control over oil revenues and new exploration is another hotly debated issue. At the very least, the Kurds want to ensure they receive their share of revenues from energy production in the KRG region and to manage new energy investment. Some suspect that the Kurds want to control their own oil reserves in order to ensure they have the economic resources to support a future drive for outright independence. On the other hand, according to energy observers, the Kurds are dependent on the central government to be able to exploit their energy resources because oil exports need to flow through the national oil pipeline grid.

Iraq’s cabinet approved a draft version of a national hydrocarbon framework law in February 2007, but Kurdish officials withdrew support from a revised version passed by the Iraqi cabinet in July 2007 on the grounds that it would centralize control over oil development and administration. In June 2008, Baghdad and the KRG formed a panel to try to achieve compromise on the national framework oil law, and the U.S. Embassy stated in August 2008 that an agreement might be near on a revenue-sharing law. An earlier draft of that law would empower the federal government to collect oil and gas revenue, and reserve 17% of oil revenues for the KRG. However, U.S. officials now appear to have concluded that the various sides are so far apart that a national package of oil laws is unlikely.

Despite the lack of comprehensive agreement, the KRG has moved forward in developing its energy sector. The KRG has signed numerous development deals with foreign firms under its own oil law adopted in August 2007, even though Iraq’s Oil Minister, Hussein Shahristani, has called these deals “illegal.” Deals so far are with Genel (Turkey), Hunt Oil (United States), Dana Gas (UAE), BP (Britain), DNO Asa (Norway), OMV (Austria), SK (South Korea), Talisman (Canada), Addax (Switzerland) and several others.<sup>8</sup> The Hunt Oil deal attracted controversy because of the firm’s leaders’ ties to Bush Administration officials and the perception that it contradicted the U.S. commitment to the primacy of the central government. It is not clear whether the Bush Administration tacitly blessed the Hunt deal.

In December 2008, Baghdad agreed to link two northern oil fields (in KRG territory) to Iraq’s main oil export pipeline that lets out in Turkey. Further progress came in May 2009 when the KRG and Baghdad agreed to allow the KRG to begin exporting oil from its Taq Taq field (40,000 barrels per day initially, but likely to rise to 250,000 barrels per day by 2010) through the national oil grid. Under the agreement, the KRG receives 17% of the revenue earned from the exportation—the same revenue-sharing formula now used for allocated national revenues. Observers believe that Baghdad agreed to this exportation now in order to earn extra revenues to compensate for the dramatic fall in oil prices since July 2008. However, exports from the Kurdish region were suspended in October 2009 because of a lack of an established mechanism to pay,

---

<sup>8</sup> Fact sheets on energy deals signed with foreign firms can be found at <http://www.krg.org/articles/detail.asp?rnr=148&Ingnr=12&smap=03011100&anr=18695>

and audit payments, to the energy firms producing the oil in the KRG region. The energy firms were not being paid by Baghdad. A tentative deal to clear up these disagreements was reached in May 2010 but not implemented. Most oil exports through the national grid from the KRG area remain suspended. Some believe the issue might be resolved when there is a new government, particularly if Oil Minister Shahristani, considered a hardliner against KRG control of oil resources, is replaced.

### **KRG Revenue Distribution/Corruption Issues**

The signing of energy deals between the KRG and foreign energy firms raises questions about how the KRG's resources are used. Observers from the region say that many Kurds resent the high degree of control of the KRG regional economy exercised by the two main Kurdish factions. According to these observers, the Barzani clan and Talabani clan, which control the KDP and PUK, respectively, have used their political positions to benefit financially, in turn using their financial clout to solidify political support. Some Kurds believe there is little opportunity for independent or smaller Kurdish families to profit from entrepreneurship, because business and economics are heavily dominated by the Barzanis and the Talabanis. Such allegations appeared to be at the heart of the unexpectedly strong showing of Gorran in the July 25, 2009, KRG elections.

### **PKK and Other Kurdish Militant Safehaven**

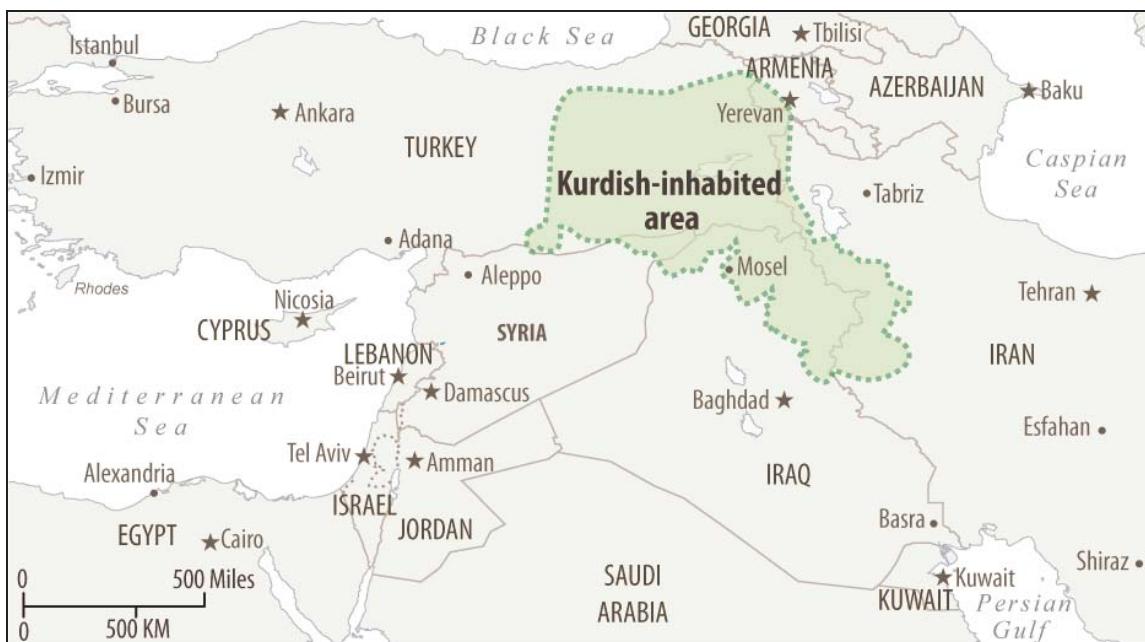
Although Turkey has become substantially less concerned about Iraqi Kurdish autonomy over the past few years, Turkey closely watches and acts against the presence of the Turkish Kurdish opposition Kurdistan Workers' Party (PKK) in KRG-controlled territory. The accusation has been leveled particularly at the KDP, whose strongholds border Turkey. The PKK—increasingly known by its alias Kongra Gel (KGK)—is named a foreign terrorist organization (FTO) by the United States (under the Immigration and Naturalization Act). In the mid-1990s, Iraqi Kurds fought the PKK, but many Iraqi Kurds support the Turkish Kurdish struggle against Turkey. In June 2007, Turkey moved forces to the border after Barzani warned that Iraq's Kurds could conduct attacks in Turkey's Kurdish cities. On October 17, 2007, the Turkish government obtained parliamentary approval for a major incursion into northern Iraq, causing stepped-up U.S. diplomacy to head off that threat. U.S. officials reportedly set up a center in Ankara to share intelligence with Turkey on PKK locations, contributing to Turkey's apparent decision to limit its intervention to air strikes and brief incursions. The northern Iraq border has been relatively quiet since 2008, with few reported Turkish military incursions or other clashes with the PKK.

A special envoy from Turkey and Masoud Barzani held talks on the issue in Baghdad in mid-October 2008—the first direct talks in four years. Further progress in reducing Iraqi Kurd-Turkish tensions was made during a visit to Baghdad by Turkey's President Abdullah Gul on March 23, 2009. He met during that visit not only with Talabani but also with then KRG Prime Minister Nechirvan Barzani. This marked the first time a Turkish leader had met a KRG official. The expanding diplomatic contacts coincide with the emergence of Turkey as the largest investor in the KRG region, in virtually all aspects of the KRG economy.

The presence of another Kurdish militant group in KRG territory is also of growing concern not only to Turkey but to Iran as well. Iran and Turkey are aligned in criticizing Iraq's failure to curb the Party for a Free Life in Kurdistan (PJAK), an Iranian Kurdish splinter group of the PKK. PJAK has been staging incursions into Iran, according to U.S. officials. On February 4, 2009, the Treasury Department named PJAK a terrorism-supporting entity under Executive Order 13224—

which freezes any U.S. assets of the group—on the grounds that the PKK controls PJAK, selected its leader (Hajji Ahmad), and appointed its 40-person central committee. Iran blamed PJAK for a late September 2010 bomb at a military parade in Mahabad (a Kurdish-inhabited area of Iran). Secretary of State Clinton condemned the bombing in a statement, and PJAK itself denied involvement and condemned the attack. Iran claimed it crossed the border with Iraq to attack PJAK fighters in retaliation, but anti-Iranian Kurdish observers in Iraq said they were not aware of any Iranian incursion.<sup>9</sup>

**Figure 1. Kurdish-Inhabited Areas**



**Source:** CRS, January 2010.

**Note:** This map is provided for purely illustrative purposes. CRS has no way to determine the exact ethnic composition of any territories depicted on this map.

## Author Contact Information

Kenneth Katzman  
Specialist in Middle Eastern Affairs  
kkatzman@crs.loc.gov, 7-7612

<sup>9</sup> "Kurdish Rebels Deny Raid by Iranian Forces." *Wall Street Journal*, September 28, 2010.